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APPLICANT'S ACCOUNT NO.
OSCB HCL 602 (Rev. 8-77)

Filing fee \$40
AB-2

Statement Affecting Class
or Series of Shares
Remetric Business Corporation

86601876

(LINE FOR NUMBERING)

629585

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
CORPORATION BUREAU

Filed this	OCT 3 1986	day of
		A.D. 19
COMMONWEALTH OF PENNSYLVANIA		
DEPARTMENT OF STATE		
<i>Robert J. ...</i>		
SECRETARY OF THE COMMONWEALTH		

In compliance with the requirements of Section 602 of the Business Corporation Law approved the 5th day of May, 1933, P.L. 304, as amended, the undersigned corporation, COLT INDUSTRIES INC, hereby certifies under its corporate seal that:

1. The name of the Company is COLT INDUSTRIES INC.
2. The resolution duly adopted by the Board of Directors of the Company establishing and designating the Series A Participating Preferred Stock and the Series B Participating Preferred Stock, which are the first two series of the Preferred Stock, par value \$1.00 per share, authorized to be issued under the Articles of the Company, and fixing and determining the voting rights, designations, preferences, qualifications, privileges, limitations, options, conversion rights, and other special rights, if any, of said series, is as follows:

RESOLVED that this Board of Directors, pursuant to authority expressly vested in it by the provisions of the Articles of Incorporation, as amended, of the Company, hereby authorizes the issue of the first two series of Preferred Stock of the Company and hereby fixes the designations and the relative rights and preferences thereof, in addition to those set forth in the said Articles of Incorporation, as amended, as follows:

SECTION 1. *Designation and Amount.* The shares of such series shall be designated as "Series A Participating Preferred Stock" (the "Series A Participating Stock") and "Series B Participating Preferred Stock" (the "Series B Participating Preferred Stock"), (collectively, the "Participating Stock"). The number of shares constituting such series shall be as follows:

<u>Series</u>	<u>Number of Shares</u>
Series A Participating Preferred Stock	75,000
Series B Participating Preferred Stock	220,000

The rights and preferences of each series of Participating Stock shall be identical except as set forth herein.

SECTION 2. Dividends and Distributions.

(A) Subject to the prior and superior rights of the holders of any shares of any series of Preferred Stock ranking prior and superior to the shares of Participating Stock with respect to dividends, the holders of shares of each series of Participating Stock, in preference to the holders of Common Stock and of any other junior stock, shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the first day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of such series of Participating Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) \$1 or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock, par value \$1 per share, or Common Stock, par value \$.10 per share, of the Corporation (collectively, the "Common Stock") or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock since the immediately preceding Quarterly Dividend Payment Date or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of such series of Participating Stock. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount to which holders of shares of Participating Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) The Corporation shall declare a dividend or distribution on the Participating Stock as provided in paragraph (A) of this Section immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of \$1 per share on the Participating Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Participating Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Participating Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Participating Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Participating Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Participating Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be not more than 60 days prior to the date fixed for the payment thereof.

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SECTION 3. Voting Rights. The holders of shares of Participating Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Participating Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the shareholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Participating Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein or by law, the holders of shares of Participating Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of shareholders of the Corporation.

(C) Except as set forth herein, holders of Participating Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

SECTION 4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Participating Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Participating Stock outstanding shall have been paid in full, the Corporation shall not:

(i) declare or pay dividends on, make any other distributions on, any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Participating Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Participating Stock, except dividends paid ratably on the Participating Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Participating Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such junior stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Participating Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Participating Stock, or any shares of stock ranking on a parity with the Participating Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

SECTION 5. *Reacquired Shares.* Any shares of Participating Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of preferred stock and may be released as part of a new series of preferred stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

SECTION 6. *Liquidation, Dissolution or Winding Up.* Upon any liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Participating Stock unless, prior thereto, the holders of shares of Participating Stock shall have received \$100 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Participating Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock, or (2) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Participating Stock, except distributions made ratably on the Participating Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Participating Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

SECTION 7. *Consolidation or Merger.* In case the Corporation shall enter into any consolidation or merger in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Participating Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Participating Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

SECTION 8. *Redemption.* The outstanding shares of any series of Participating Stock may be redeemed at the option only of the Corporation in whole, but not in part, at any time, without notice, at a redemption price (the "Redemption Price") of \$8,500 per share. At the time of redemption specified in the resolution of the Board of Directors authorizing such redemption, the rights of the holders of the series of Participating Stock redeemed shall cease, except for the right to receive the Redemption Price, without interest. Notwithstanding any provision contained herein to the contrary, no accrued dividends will be paid on the shares of Participating Stock upon redemption.

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3. The resolution was duly adopted at a meeting of the Board of Directors of the Company duly called and held on September 29, 1986, at which meeting a quorum was present and acting throughout.

IN WITNESS WHEREOF, Colt Industries Inc has caused this Statement to be executed under its corporate seal by its Chairman of the Board and its Secretary, this 29th day of September, 1986.

[Corporate Seal]

COLT INDUSTRIES INC

Attest:

... *Anthony J. diBuono* ...
Anthony J. diBuono,
Secretary

by *David I. Margolis*
David I. Margolis,
Chairman of the Board of Directors
and Chief Executive Officer
by *Anthony J. diBuono*
Anthony J. diBuono,
Secretary